

**Introduced by Senator Corbett**

February 19, 2008

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An act to add Section 5096.517 to the Public Resources Code, relating to state lands, and declaring the urgency thereof, to take effect immediately.

**LEGISLATIVE COUNSEL'S DIGEST**

SB 1285, as introduced, Corbett. Resource conservation lands: acquisition.

Existing law authorizes various agencies to acquire land for purposes related to conservation. Existing law requires an acquisition agency, as defined, prior to approving the acquisition of conservation land, as defined, where an agency proposes to spend more than \$25,000,000 of state funds, to contract for at least one independent appraisal of the fair market value of the land.

Existing law requires the independent appraisal to be conducted by a qualified member of the Appraisal Institute and reviewed by a qualified independent appraiser retained by the acquisition agency for this purpose. The acquisition agency is required to make available for public review, among other things, the independent appraisal review, a summary of the basis for the recommendation of approval for the acquisition of the land, and any relevant environmental studies, documents, or other information.

This bill would require the Resources Agency, in consultation with the Wildlife Conservation Board and the State Coastal Conservancy, to develop and adopt standards with respect to the acquisition of conservation lands concerning the appraisal process, public availability of appraisal information, and tax consequences.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote:  $\frac{2}{3}$ . Appropriation: no. Fiscal committee: yes.

State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 5096.517 is added to the Public Resources  
2 Code, to read:

3 5096.517. The Resources Agency, in consultation with the  
4 Wildlife Conservation Board and the State Coastal Conservancy,  
5 shall develop and adopt standards for all of the following with  
6 respect to the acquisition of conservation lands:

7 (a) Standards for the appraisal of resource conservation  
8 acquisitions. The standards shall include guidelines for all of the  
9 following:

- 10 (1) Commissioning the appraisal.
- 11 (2) Qualifications of the appraiser.
- 12 (3) Scope of the analysis and level of information provided in  
13 the appraisal report.
- 14 (4) Timing of the appraisal in the transaction process.
- 15 (5) Use of government and conservation transactions as  
16 comparable sales.
- 17 (6) Addressing assumptions about development potential.
- 18 (7) Information that shall be provided to the appraiser.
- 19 (8) Valuation of conservation easements.
- 20 (9) Appraisal review.
- 21 (10) Independence of the appraiser.

22 (b) Standards to ensure the independence of the appraisal  
23 process, including, but not limited to, all of the following:

- 24 (1) Revising the existing administrative structure for the carrying  
25 out of the appraisal function to provide greater independence and  
26 promote objectivity of the appraisal function.
- 27 (2) Placing various components of the appraisal function within  
28 the Department of General Services.
- 29 (3) Contracting with an organization with appraisal expertise  
30 for the development of recommendations for the specific mechanics  
31 regarding how the appraisal function would operate in the  
32 Department of General Services.

1 (c) Standards to increase the public availability of appraisal  
2 information, including the expansion of existing public disclosure  
3 requirements and the improvement of the legislative notification  
4 process for better oversight.

5 (d) Standards to avoid unwarranted tax consequences, including  
6 requiring the state-approved appraisal value used to support the  
7 purchase price in a state-funded resource conservation acquisition  
8 to be the basis, with appropriate adjustments, in any related  
9 evaluation by the Franchise Tax Board of the value of a charitable  
10 contribution claimed by the seller.

11 SEC. 2. This act is an urgency statute necessary for the  
12 immediate preservation of the public peace, health, or safety within  
13 the meaning of Article IV of the Constitution and shall go into  
14 immediate effect. The facts constituting the necessity are:

15 In order to ensure that taxpayers receive full value for public  
16 funds that are used for the acquisition of conservation lands, it is  
17 necessary that this act take effect immediately.